

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.



THE **Agricultural Situation**

MARCH 1952

Volume 36 Number 3

	Page		Page
Use More Nitrogen for Corn	2	Cotton Farmers Make Tractor Sprayers Do Double Duty	8
Price Support Set for Corn	3	Western Livestock Mar- keting	9
Outlook Highlights . . .	3	Deficit Poultry States . .	11
Better Picture of Small Farms	5	Bulk of Our Food Produc- tion Consumed Here at Home	13
Tenure Position Stronger .	7		

[The **AGRICULTURAL SITUATION** is sent free to crop and price reporters in connection with their reporting work]

A monthly publication of the Bureau of Agricultural Economics, United States Department of Agriculture, Washington, D. C. The printing of this publication has been approved by the Director of the Budget (January 18, 1952). Single copy 5 cents, subscription price 50 cents a year, foreign 70 cents, payable in cash or money order to the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

Use More Nitrogen for Corn Farmers Urged

Larger Portions of This Fertilizer Element, in Many Cases, Can Boost Yields

AN INCREASE in the proportion of nitrogen to phosphate in fertilizers applied to corn, plus a side dressing of ammonium sulfate (straight nitrogen fertilizer), can lead to a significant increase in yield per acre of corn, according to a statement prepared by department of Agriculture officials for use in connection with the 1952 goals program.

On the average, farmers do not apply to corn as much nitrogen in relation to phosphates as they should, the statement declares.

The following is given as a typical example. A farmer uses 200 pounds of 3-12-12 fertilizer (nitrogen-phosphate-potash) per acre on 50 acres of corn. His yield is 41 bushels to the acre or 2,050 bushels, which at \$1.60 per bushel is worth \$3,280. If he used instead 200 pounds of 6-12-12 per acre costing an additional \$50, plus a side dressing of 60 pounds of ammonium sulfate—or its equivalent in other nitrogen materials costing perhaps \$90—his yield could reasonably be expected to be 50 bushels to the acre or 2,500 bushels of corn worth \$4,000. For an expenditure of \$140, he would receive a return of something like \$720.

Yield responses of corn to nitrogen applications vary, of course, with variations in soil and growing conditions, and likewise prices of fertilizers vary throughout the country, the statement cautions.

Revised Fertilizer Estimates

Revised estimates of the over-all fertilizer supplies farmers can count on in 1952 show that the picture is a slightly improved one. Instead of a 5-percent boost in nitrogen supplies this year, the outlook now is for a 7-percent increase. With the increasing

Backs Farmers—Asks Their Aid in Holding Down Inflation

WARM SUPPORT for the farm defense production effort came from Charles E. Wilson, Director of Defense Mobilization, in his recent address in Chicago to the National Council of Farmer Cooperatives.

Director Wilson declared: "We regard agriculture as an integral part of our defense preparedness. . . . We have gotten a liberal education with regard to the need of more and more fertilizer and of more and more farm machinery. Yes and we're sold on it. . . . On the whole, everything that is humanly possible will be done to keep farm production at a high level."

He also urged his audience, "as representatives of the farmers of America, to use restraint in your attitude toward prices, just as I have urged restraint on labor, industry, and other groups. It is the worst kind of fallacious thinking," Wilson reiterated, "to suppose that ANY GROUP can permanently profit from runaway inflation, which I regard as Domestic Enemy No. 1."

demand for nitrogen, however, supplies may still be short of needs.

Instead of an anticipated 8- to 10-percent decrease in phosphate supplies only a 6-percent drop for the year is now expected. The phosphate outlook thus remains tight although a trifle improved. The hoped-for 5-percent increase in potash still stands—and potash supplies are expected to be more nearly adequate. Over-all this year, farmers may not get all the fertilizer they need. To buy early is their best assurance.

Price Support for 1952 Corn At Least \$1.60 per Bushel

Supports Also Announced for Rice, Soybeans

THE United States Department of Agriculture has announced that 1952-crop corn will be price-supported at not less than a national average of \$1.60 a bushel, rice at not less than \$5.04 per hundredweight, and soybeans at \$2.56 a bushel. Dollars and cents supports were announced in advance of spring planting in accordance with forward pricing provisions of the Agricultural Act of 1949.

Support for corn produced in 1952 was announced on February 11 at a minimum level, subject to upward revision if 90 percent of parity for corn at the beginning of the 1952 marketing year next October is greater than \$1.60 a bushel. In no event, however, will the support for 1952 corn be lower than a national average of \$1.60 a bushel. Support for 1951-crop corn is \$1.57 a bushel. Price support will be implemented, as heretofore, by means of Commodity Credit Corporation loans and purchase agreements.

Support for the 1952 rice crop was announced on February 11 also, at a minimum level, subject to upward revision if 90 percent of parity for rice at the beginning of the 1952 marketing year next August is greater than \$5.04 per hundredweight. In no event, however, will the support for 1952-crop rice be lower than a national average of \$5.04 per hundredweight. Support for 1951-crop rice is \$5 per hundredweight. Price support will be implemented, as heretofore, by means of CCC loans and purchase agreements.

Support for 1952-crop soybeans was announced at a fixed level of \$2.56 a bushel, which reflects 90 percent of parity as of November 15, 1951, in accordance with a support-level announcement made by Secretary Branagan last November. Support for 1951-crop soybeans is \$2.45 a bushel. Price support will be implemented by CCC loans and purchase agreements.

The support level for new-crop wheat, announced last fall, is not less than \$2.17 per bushel. Previously announced support levels for other 1952-crop grains are: Oats, 78 cents per bushel; rye, \$1.42 per bushel; grain sorghums, \$2.38 per hundredweight; and flaxseed, \$3.77 per bushel.

Outlook Highlights

. . . MARCH 1952

ECONOMIC activity continues relatively steady at a high level—even though wholesale prices of some products have weakened.

Total industrial production over the past 6 months has varied little. The production level during this period has been only about 2 percent below the high peak reached last April. At the time of that peak the output of some goods was already being cut back sharply, making room for defense production. Since early last year the steady rise in output of goods for defense and industrial expansion has been just about offset by reduced production of nondurable goods and consumer durable goods.

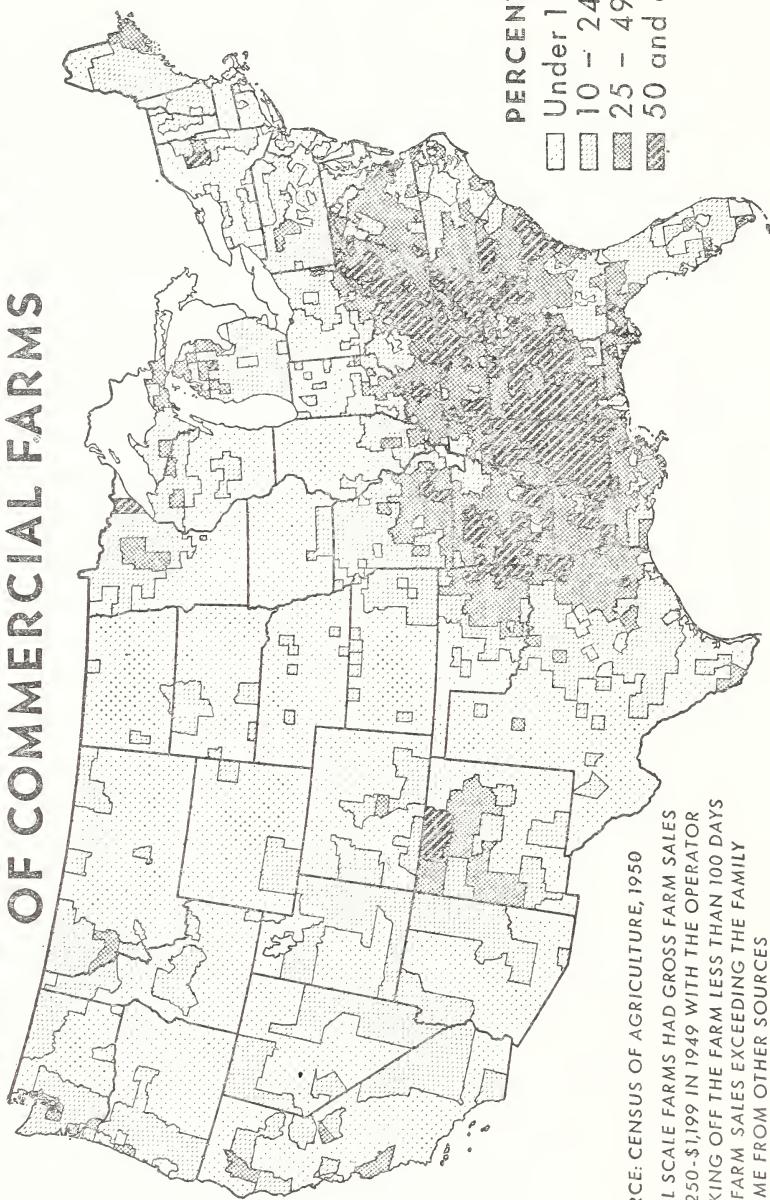
Rising Income, Stable Buying, Increased Personal Saving

A high level of employment, gradually rising wages, and higher proprietors' income have been largely responsible for a gradual uptrend in total personal income payments over the past year. Higher taxes have absorbed some—but not all—of this gain. And the continued relative stability in consumer expenditures since the spring of 1951 has contributed to a high peacetime rate of personal saving.

Civilian employment, which largely mirrors shifts in output, has been relatively stable, except for seasonal dif-

(Continued on page 18)

SMALL SCALE FARMS AS A PERCENT OF COMMERCIAL FARMS



SOURCE: CENSUS OF AGRICULTURE, 1950
SMALL SCALE FARMS HAD GROSS FARM SALES
OF \$250-\$1,199 IN 1949 WITH THE OPERATOR
WORKING OFF THE FARM LESS THAN 100 DAYS
AND FARM SALES EXCEEDING THE FAMILY
INCOME FROM OTHER SOURCES

A Better Picture of Our Small-Scale Farms

Where They Are, How Much They Produce

THE NEW economic classification of farms in the 1950 Census of Agriculture provides useful information on the structure of American agriculture and is available by counties for the first time.

Of particular importance in the current situation is the information on number and location of extremely small commercial farms. Such information throws light on the problem of low productivity of farm operators; also the importance of such low productivity in various parts of the country. It can be used as a guide to more effective use of manpower resources in agriculture.

The economic classification of farms, developed by the Bureau of the Census and the Bureau of Agricultural Economics, divided farms into two general categories—commercial farms and other farms. (See table on next page.) The commercial farms were grouped into six classes depending upon the amount of gross farm sales. The group with smallest sales, class VI, referred to as "small-scale" farms, had gross farm sales of \$250 to \$1,199 in 1949; and the farm operator family was dependent primarily upon this income for a living. No farms were included in this group when the operator worked off the farm 100 days or more.

Many in the South

Small-scale farms comprised nearly a fifth of the 3.7 million commercial farms in the United States in 1950. Considerable numbers of these small farms are found in most regions of the country, but they are most important in the Appalachian and Southeastern regions and throughout the cotton South. (See map, opposite page.)

In the South small-scale farms constitute nearly half of the commercial farms. Other areas of concentration

are the Ozark-Ouachita mountains and border areas, the cutover areas of the Lake States, the cross-timber areas of Texas and Oklahoma and northwestern New Mexico. In general, they are most numerous in thickly populated rural areas where technological changes in farming have been slow and alternative employment opportunities limited.

Output Low

Generally these farms are inadequate in size to furnish the operator family with full-time work on the farm. It is recognized, however, that some of the operators on these farms may be aged, retired, and incapacitated. The use of inefficient and outmoded methods of farming, the lack of necessary financial resources, or the local scarcity of off-farm jobs has kept the productivity of these farm families near, or below the subsistence level. As a result, their contribution to agricultural or other economic production is much reduced.

The crux of the problem of low productivity and underemployment in agriculture is represented by these small-scale farms, but the scope of the problem is considerably larger. In addition to the small-scale farms listed in the table as class VI, there were 896,000 class V farms, with gross sales ranging from \$1,200 to \$2,499. On most of these farms, too, the income from farm sales was the major source of income for the operator family.

Part-Time and Other Farms

The "other farms" described in the table, included 642,000 part-time farms whose gross farm sales in 1949 were \$250 to \$1,199; also 1,000,000 residential farms with gross farm sales of less than \$250. These farms were excluded from the Census definition of commer-

cial farms because farm income was secondary to nonfarm income or because the farm income was too small for the farm to be considered as a business unit. In contrast to small-scale farms, the part-time and residential units are most numerous near large cities and in areas with favorable employment opportunities.

The defense mobilization program is creating many new employment opportunities. Information is needed on the location of areas with an apparent surplus of manpower. The areas with large numbers of small-scale farms indicate possible reservoirs of labor to

fill some of these new jobs where it is not needed in farming.

The relative proportion of small-scale farms provides a guide to the problem from the standpoint of extension workers and other agricultural employees. Further analysis of the characteristics of these small-scale farms and of the farm operators will help in developing programs to increase the labor efficiency of those who choose to remain in agriculture.

Jackson V. McElveen
Bureau of Agricultural Economics

A. T. M. Lee
Bureau of the Census

Number of Farms By Economic Class, United States

By Major Geographic Divisions, Census of Agriculture, 1950¹

Economic class	Class interval (value of products sold)	United States		North— num- ber	South— num- ber	West— num- ber
		Num- ber	Per- cent			
Commercial farms:						
Class I-----	\$25,000 and over	105.5	2.0	44.8	29.1	31.6
Class II-----	\$10,000 to \$24,999	386.1	7.2	247.3	79.8	59.0
Class III-----	\$5,000 to \$9,999	725.6	13.5	497.7	153.3	74.5
Class IV-----	\$2,500 to \$4,999	882.3	16.4	484.5	326.0	71.9
Class V-----	\$1,200 to \$2,499	895.9	16.6	327.2	509.2	59.5
Class VI-----	\$250 to \$1,199 ²	707.7	13.1	168.4	513.3	26.0
Other farms:						
Part-time farms	\$250 to \$1,199 ³	642.1	11.9	220.4	364.0	57.8
Residential farms.	Under \$250-----	1,032.4	19.2	275.7	676.3	80.3
Abnormal farms	-----	4.5	.1	2.0	1.5	1.0
All farms-----	-----	5,382.1	100.0	2,268.0	2,652.5	461.7

¹ Preliminary Census data; totals obtained by adding State or county Census releases.

² With the operator working off the farm less than 100 days and farm sales greater than other family income.

³ With the operator working off the farm 100 or more days and/or other family income exceeding farm sales.

Tenure Position of Farmers Strengthened in Last 10 Years

THE TENURE position of the American farmer has improved significantly in the last 10 years. Preliminary figures from the 1950 census show that only about 20 percent of our farms are now operated by tenants other than croppers. Nearly 30 percent were tenants of this class a decade ago. The proportion of croppers, during the same period, declined from 8.9 percent in 1940 to 6.6 percent in 1950—a little over 2 percent.

Declines Nation-Wide

The percentage of tenancy decreased during the last 10 years in every State except Arizona, where little change

took place. The largest decreases—around 15 to 20 percentage points—were in the South and in the Great Plains. The smallest decreases were in the general farming areas where tenancy was relatively unimportant, and in the Corn Belt. The table below includes all tenants and croppers. It shows the proportion that were tenants and croppers 10 years ago compared with the most recent census figures.

About 73.3 percent of our farms are now operated by owner groups (full owners, part owners, and managers), compared with 61.3 percent in 1940. Part ownership increased rapidly

Farm Tenancy, 1940 and 1950¹

STATES BY GEOGRAPHIC DIVISION	1940	1950	STATES BY GEOGRAPHIC DIVISION	1940	1950
New England:			South Atlantic—Con.		
Maine.....	6.5	2.6	North Carolina.....	44.4	38.3
New Hampshire.....	6.4	3.3	South Carolina.....	56.1	45.3
Vermont.....	9.9	4.7	Georgia.....	60.1	42.8
Massachusetts.....	7.1	3.3	Florida.....	25.2	12.3
Rhode Island.....	10.3	6.8			
Connecticut.....	7.2	4.8			
Middle Atlantic:			East South Central:		
New York.....	12.8	6.1	Kentucky.....	33.1	22.5
New Jersey.....	15.6	7.7	Tennessee.....	40.3	29.2
Pennsylvania.....	16.0	9.4	Alabama.....	58.8	41.4
East North Central:			Mississippi.....	66.2	51.6
Ohio.....	26.3	17.9			
Indiana.....	28.3	19.3			
Illinois.....	43.1	34.6			
Michigan.....	17.0	9.0			
Wisconsin.....	23.0	15.6			
West North Central:			West South Central:		
Minnesota.....	32.3	20.9	Arkansas.....	53.3	37.6
Iowa.....	47.6	38.2	Louisiana.....	59.4	39.6
Missouri.....	35.6	20.2	Oklahoma.....	54.4	31.4
North Dakota.....	45.1	21.9	Texas.....	48.9	30.4
South Dakota.....	53.0	30.4			
Nebraska.....	52.8	38.9			
Kansas.....	44.9	29.9			
South Atlantic:			Mountain:		
Delaware.....	32.6	17.0	Montana.....	27.8	14.7
Maryland.....	26.1	18.6	Idaho.....	25.5	18.1
District of Columbia.....	18.5	3.6	Wyoming.....	24.2	17.0
Virginia.....	26.9	17.1	Colorado.....	37.2	22.8
West Virginia.....	22.7	10.3	New Mexico.....	17.0	13.0
			Arizona.....	11.6	11.9
			Utah.....	13.3	7.3
			Nevada.....	14.4	7.5
			Pacific:		
			Washington.....	17.7	9.6
			Oregon.....	18.2	8.7
			California.....	19.1	11.9
			United States.....	38.7	26.7

¹ Data from Census of Agriculture, includes both tenants and sharecroppers. Data for 1950 are preliminary.

during the last decade—there are now three part owners for every two in 1940.

In addition to climbing up the agricultural ladder, the typical American farmer has broadened the land base on which he operates. He is now farming more acres than at any time during the past century. The average size farm in 1950 was 215 acres as compared with only 174 acres a decade earlier.

Both large and small farms are becoming more numerous, while middle-sized farms are decreasing in number. The increase in small farms, less than 10 acres, has resulted in part from the large number of urban employed people who are now living in rural areas. The increase in the number of large farms, over 200 acres, has resulted from the combination of farms due largely to mechanization. Middle-sized farms

are less numerous, for these are the farms being combined to make larger farms and being carved up to make room for the urban employed who want a small place in the country.

The improved tenure status of American farmers, and their larger farms, have been made possible by the disappearance of nearly three-quarters of a million (713,000) farms between 1940 and 1950. About half of the decline in number of farms was due to combining farms, made possible by mechanization and modern technology, and to discontinuing food production on many small units which are now classed as rural residences and not farms. Other important factors have been the decrease in the number of cropper units, and the change in the Census definition of a farm.

Marshall Harris
Bureau of Agricultural Economics

Cotton Farmers May Make Tractor Sprayers Do Double Duty

THE CURRENT trend of southeastern cotton farmers toward use of tractor-mounted sprayers for applying liquid insecticides on their cotton fields will be expanded if liquid defoliants prove as reliable as dusts, in the opinion of an agricultural engineer of the United States Department of Agriculture.

The sprayer on a farm does double duty if used for applying defoliants as well as insecticides. Defoliants, either liquid or dusts, has been used increasingly in recent years to defoliate cotton plants prior to harvesting of the crop by machinery. With the leaves on the ground, there is less trash in the machine-picked cotton.

Rex F. Colwick, who coordinates the USDA's cotton mechanization research program with that of many Cotton Belt State agricultural experiment stations, predicts a similar expanded use of sprayers for applying insecticides and defoliants in the High Plains cotton area of Oklahoma and Texas. However, he says, no such trend can be expected in the remainder of the Cotton

Belt (the Southwest and the Midsouth).

Not So Good in Tall Cotton

According to Colwick, the use of tractor-mounted sprayers depends on the height to which cotton grows. In the Southeast and on the Texas and Oklahoma High Plains, where cotton is generally less than 5 feet tall, a tractor and sprayer, properly shielded to prevent excessive damage to the cotton plant, can be used effectively. In the Southwest and Midsouth, however, cotton grows too tall for the successful use of spray equipment.

The agricultural engineers rule out the use of specially built, high-clearance spraying machinery because any farmer with a large enough acreage to use such a machine economically might be better off spraying or dusting his cotton with an airplane.

Colwick recommends that tractor wheels be shielded, even if cotton is less than 4 feet tall. In spraying cotton 4 to 5 feet in height, at least five nozzles per row should be used to get adequate insect control or defoliation.

Western Livestock Marketing

Trend Is Toward Local Markets . . . More Animals Sold Through Auctions, and Direct to Packers

LIVESTOCK HAS played an important role in the growth and development of the western economy.

Today, the inventory value of livestock found on western farms and ranches approximates 4½ billion dollars. The cash farm income obtained from the sale of such animals is the largest single source of revenue to western agriculture. The West uses about three-fourths of its total land area for livestock grazing. In addition, feed output from over 70 million acres of western dry and irrigated cropland contributes heavily to western meat animal production.

In the process of this industry's growth, western farmers and ranchers have accumulated considerable knowledge on how to produce meat animals more efficiently. The livestock producers' use of new management techniques has resulted in an increase in total meat animal output of about 34 percent in the last 25 years.

A description of long-range adjustments in livestock marketing in the West, with special reference to auction sales, is examined in a study recently completed by the agricultural experiment stations of the 12 Western States and the Bureau of Agricultural Economics under the Research and Marketing Act. The project was sponsored by the Western Livestock Marketing Research Technical Committee.

Better Practices Speed Production, Marketing Methods Change

Two practices adopted by cattlemen have been primarily responsible for a large part of the gains made. One was the change in the makeup of the cattle inventory. Over a period of years a sharp reduction in the proportion of 2-, 3- and 4-year-old steers has been made, with a corresponding increase in the proportions of breeding stock and younger animals. This shift to a cow-calf form of operation on the part of more farms and ranches has increased

This is the first of 2 articles dealing with changes taking place in the marketing of livestock in the West.

annual sales of cattle per 100 head kept. In the early twenties, western cattlemen could sell only about 25 head of cattle and calves yearly for each 100 head on ranches at the beginning of the year without changing inventory numbers. In recent years this has increased to about 41 head and makes possible a higher level of both marketings and slaughter in relation to cattle numbers.

The other practice or improvement in production came in the increased proportion of young animals born and raised to marketable age. This is particularly true with cattle. About 25 years ago the numbers of calves born per 100 cows averaged 70. In recent years this has been increased to about 80 calves per 100 cows.

Other changes which have had their influence on increased output are: reduced death losses through more effective disease control methods; more general use of proven methods; more general use of proven sires; and a decline in number of horses and mules on farms, which, in turn, has made it possible to expand meat animal numbers. Along with these developments has come a growth in the livestock-feeding industry, which has increased the number of animals on feed in the West. The combination of present production and feeding practices makes it possible to reduce substantially the time required to finish livestock for slaughter.

With a higher volume of trade, or higher velocity of cattle marketings generally, ranchers, farmers and feeders are now required to make more frequent decisions about marketing than formerly. They need to know more about marketing trends and marketing conditions.

Various Marketing Channels

Western livestock are channeled or moved to market in many different ways, but, generally speaking, producers either sell at central or terminal markets, at auction markets, to packers, to farmers or feeders in the country, or to dealers. Sales by these several methods may take place at the ranch or farm within a few miles of where animals are raised or fed, or they may move long distances before sale.

The relative importance of the several marketing agencies used by west-

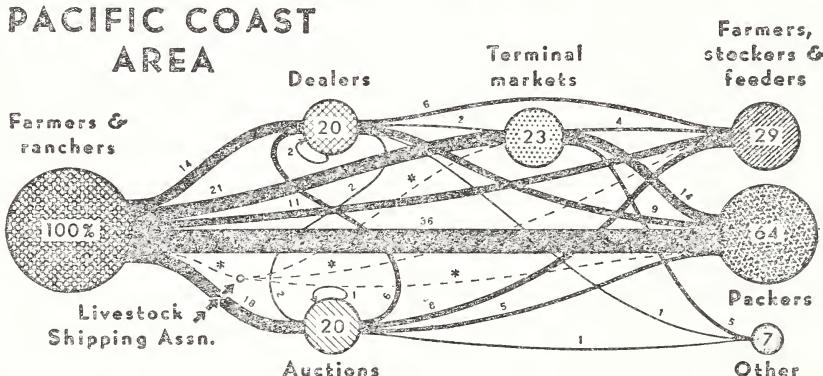
ern stockmen in 1949 was a subject on which information was obtained by the agricultural experiment stations and the BAE. The study was completed after surveying some 10,000 individual farmers and ranchers in the area.

The results of the survey show that producers use a different marketing agency when they sell livestock than when they buy. Considerable variation also exists when a specific type of animal is being sold. On the Pacific coast 36 percent of all cattle sales by producers were direct to packers, 21

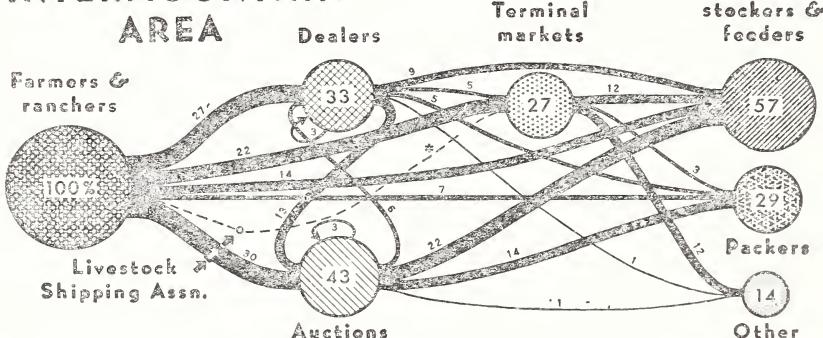
(Continued on p. 16)

MARKETING CHANNELS FOR CATTLE AND CALVES, 1949

PACIFIC COAST AREA



INTERMOUNTAIN AREA



* LESS THAN 1 PERCENT ALL FIGURES EXPRESSED IN TERMS OF TOTAL VOLUME

B.A.E. 48454-X

Poultry Output Below Consumption In Some States

CHICKENS, turkeys, and other poultry are raised throughout the United States, both commercially and in farm flocks but there are many States which obviously do not produce as much poultry meat as their people consume. Estimates of poultry meat consumption by States are not available. The surplus or deficit position of a State, however, may be measured approximately by comparing the per capita production for the State with the average per capita consumption for the whole Nation.

So measured, the 1950 deficit in chicken meat ranged from about 3 pounds per capita in Texas to 19 pounds in Arizona. By regions, the Mountain and Pacific States as a whole

were deficit-producing. Some of the Atlantic seaboard States, where the greatest concentration of commercial broiler production is found, were deficit producers. These included Massachusetts, Rhode Island, and New Jersey. In the South, Alabama, South Carolina, Tennessee, Louisiana, and Florida were deficit States. The three Southwestern States of Arizona, New Mexico, and Texas produced less per capita than the national consumption. In all, a total of 26 States were deficit producers of chicken meat.

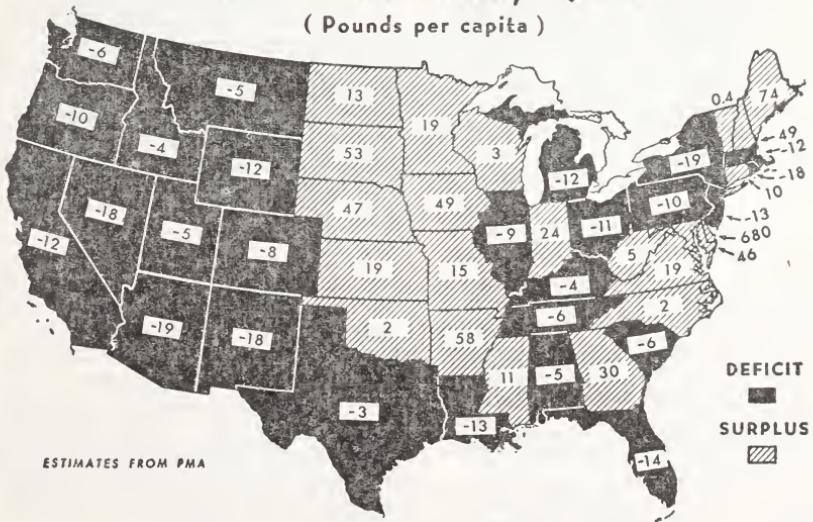
In case you're wondering how much chicken meat the average person in the country consumes, the estimate for 1950 was 27 pounds.

Deficit Turkey States

As the main area of turkey production is on the west coast, and especially in California, it is not surprising that many States are deficit producers of turkey meat. Twenty-eight States were deficit producers of turkey meat in 1950. The deficit ranged from 1 pound in Wisconsin to 5 pounds in Louisiana. All of the New England

DEFICIT AND SURPLUS CHICKEN-MEAT STATES, 1950

(Pounds per capita)



ESTIMATES FROM PMA

B.A.E. 48451-XX

States, except Vermont, were deficit turkey producers. Of the Western States, only Nevada, Montana, Arizona, and New Mexico were deficit.

Ducks and geese make up a relatively small part of the poultry produced and data concerning them are not included here. Most of the ducks consumed come from Long Island and most of the geese come from the Mississippi Valley area.

There are several reasons for the differences in the quantity of poultry meat produced in the various regions and among the several States within the regions. Differences in the level of demand for poultry meat may arise partly from differences in prices received. Differences in eating habits are another factor. Geographic differences and other causes may make alternative enterprises more profitable. Differences in transportation and other costs enter into the picture. The ingredients that go into the feed used for chickens and turkeys and their accessibility and price must be taken into account.

A deficit-producing State may find it more convenient, for a number of reasons, to get its supply of poultry meat from a nearby State than to grow its own. Take Massachusetts, for instance. Although it is deficit in chicken meat by 12 pounds per capita, the adjoining State of New Hampshire produces a surplus of 49 pounds per capita. Some of this surplus doubtless finds its way to Massachusetts tables.

Or, for some of the reasons outlined above, a State may do better to have its poultry meat shipped in from considerable distances.

In the future, responses in supply by regions may be significant when it comes to appraising desirable adjustments in the industry. Changes in production of poultry come about in response to relative prices, to changes in technology, and to other forces. The effect of these factors varies greatly from region to region. An article dealing with competition between regions in producing chickens and eggs appeared in the September, 1951, *Agricultural Situation*.

Esther M. Colvin
Bureau of Agricultural Economics

Home-Made Drier for Drying Grain

AN EFFICIENT, heated-air drier that will dry as much as 50 bushels of high-moisture grain or shelled corn an hour can be built on the farm from United States Department of Agriculture plans just published in Leaflet No. 314, "Inclined-Column Grain Drier."

The drier was developed through the cooperative research of agricultural engineers of the USDA and the Illinois Agricultural Experiment Station. It was planned for the use of farmers who need a unit that can rapidly process large quantities of wet grain or shelled corn for market or storage. The drier is about 20 feet high, 10 feet wide, and 8 feet is the recommended length, with 14 feet the maximum. A copy of Leaflet No. 314 may be obtained from the Office of Information, United States Department of Agriculture, Washington 25, D. C.

"STANDBY" GENERATORS

FARMERS who need electricity, when normal power service to the farm is interrupted, may install a standby electric generator that can generate at least 3,000 watts.

Engineers of the United States Department of Agriculture and the North Dakota Agricultural College, who during the past year surveyed 97 farmers owning standby generators in the Red River Valley of North Dakota and Minnesota, consider 3,000 watts the minimum power necessary to operate a milking machine, furnace, freezer, water system, and normal lights.

The most economical type of generator, the engineers say, is that operated by a tractor, as it eliminates the need of a separate gasoline motor to power the generator. It is not possible to use storage batteries in connection with these standby generators, as they produce an alternating current.

The survey showed that 78 of the 97 owners of standby electric generators had made use of them at least once during the past year.

Bulk of Our Food Production Is Consumed Here at Home

BUT SHARE SHIPPED ABROAD HAS INCREASED IN RECENT YEARS

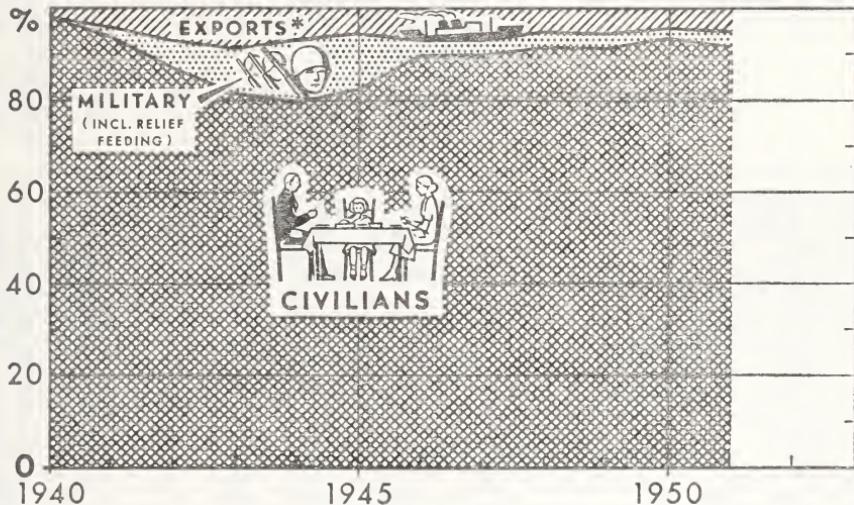
OUR CIVILIAN population is the most important outlet for the food produced in this country.

Since the end of World War II, military agencies have taken only a small part of the total food available for distribution in the United States in each year. Exports, on the other hand, have continued to account for a much

greater share of the annual food supply than before World War II. Our large exports since that war have gone principally to cover rehabilitation and relief needs.

The share that goes abroad, of course, is still only a small part of the total food produced in this country.

WHERE U. S. FOOD GOES



* INCL. SHIPMENTS TO TERRITORIES AND NET PURCHASES BY USDA FOR LEND-LEASE AND OTHER PROGRAMS

U. S. DEPARTMENT OF AGRICULTURE

NEG. 48232-XX BUREAU OF AGRICULTURAL ECONOMICS

Outlook Highlights

(Continued from page 3)

ferences. There has been some spotty unemployment, however, resulting mainly from dislocations brought about by the expanding defense program. Total civilian employment was 61 million in December, 59.7 million in

January. It was an even 59 million in January a year ago.

Livestock and Meat

Increased numbers of meat animals on farms, as shown in the recent annual inventory, supports the outlook that slaughter of cattle and calves will increase moderately in 1952, that

slaughter of sheep and lambs will increase somewhat, and that slaughter of hogs in the first part of 1952 will be above a year earlier. Later in the year hog slaughter probably will drop below 1951 because smaller feed supplies are expected to bring a reduction in this year's spring pig crop.

Demand for meat has leveled off in recent months, supplies have improved, and prices for meat animals this winter have been somewhat weaker. About the usual seasonal movements are expected for meat animal prices this spring. Prices for fed cattle may decline as marketings rise. Price increases are more likely for lower grade cattle which will go on grass. Hog prices probably will rise seasonably.

By midsummer hog prices may reach the level of a year earlier.

Total meat production for 1952 is expected to be moderately above 1951.

Meat Animal Numbers

Meat animal numbers increased 5 percent during the past year. Cattle and calves, a record on January 1, totaled 88.1 million—6 million head, or 7 percent, more than a year ago. The number of sheep and lambs—though still small—was 4 percent larger this January than last. Hog numbers were up 2 percent from a year earlier.

In the last 3 years the number of cattle has increased 11 million head, or 15 percent. Beef cattle expanded faster than milk cattle, and the greatest percentage increase was in the South.

Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Bureau of Agricultural Economics. Average of reports covering the United States weighted according to relative importance of district and State]

Commodity	5-year average		Feb. 15, 1951	Jan. 15, 1952	Feb. 15, 1952	Effective parity price Feb. 15, 1952 ²
	Base period price ¹	January 1935– December 1939				
Basic commodities:						
Cotton (pound)	cents	12.4	10.34	42.31	38.70	37.25
Wheat (bushe)	dollars	3.884	.837	2.21	2.20	2.18
Rice (cwt.)	do	1.95	1.65	5.81	5.14	5.22
Corn (bushe)	do	3.642	.691	1.60	1.68	1.66
Peanuts (pound)	cents	4.8	3.55	10.9	10.4	10.4
Designated nonbasic commodities:						
Potatoes (bushe)	dollars	1.12	.717	1.03	2.07	2.05
Butterfat in cream (pound)	cents	26.7	29.1	70.3	79.9	82.9
Milk, wholesale (100 lb.) ³	dollars	1.68	1.81	4.67	5.12	7.5.09
Wool (pound)	cents	21.0	23.8	109.0	61.3	55.2
Other nonbasic commodities:						
Barley (bushe)	dollars	3.619	.533	1.33	1.42	1.38
Cottonseed (ton)	do	26.40	27.52	100.00	70.10	67.10
Flaxseed (bushe)	do	1.65	1.69	4.49	4.03	3.92
Oats (bushe)	do	3.399	.340	.919	.938	.890
Rye (bushe)	do	3.720	.554	1.58	1.71	1.62
Sorghum, grain (100 lb.)	do	3.1.21	1.17	2.18	2.54	2.51
Soybeans (bushe)	do	1.00	.954	3.08	2.78	2.78
Sweetpotatoes (bushe)	do	.902	.807	2.05	3.47	3.57
Beef cattle (100 lb.)	do	7.36	6.56	29.00	27.20	27.60
Chickens (pound)	cents	10.7	14.9	26.9	25.1	25.7
Eggs (dozen)	do	3.21	21.7	41.4	40.5	34.6
Hogs (100 lb.)	dollars	7.49	8.38	22.00	17.40	17.20
Lambs (100 lb.)	do	8.00	7.79	33.30	28.20	26.80
Veal calves (100 lb.)	do	8.26	7.80	33.30	31.50	31.90
Oranges, on tree (box)	do	2.29	1.11	1.89	.85	.84
Apples (bushe)	do	.991	.90	2.05	2.33	2.36
Hay, baled (ton)	do	11.87	11.20	23.20	25.50	25.40

¹ Adjusted base period prices 1910–14, based on 120-month average January 1942–December 1951 unless otherwise noted.

² Parity prices are computed under the provisions of title III, subtitle A, section 301 (a) of the Agricultural Adjustment Act of 1938 as amended by the Agricultural Acts of 1948 and 1949.

³ 60-month average, August 1909–July 1914.

⁴ 10-season average 1919–28.

⁵ Transitional parity, 85 percent of parity price computed under formula in use prior to Jan. 1, 1950.

⁶ Prices received by farmers are estimates for the month.

⁷ Preliminary.

Economic Trends Affecting Agriculture

Year and month	Industrial production (1935-39=100) ¹	Total income of industrial workers (1935-39=100) ²	Average earnings of factory workers per worker (1910-14=100)	Wholesale prices of all commodities (1910-14=100) ³	Index numbers of prices paid by farmers (1910-14=100)			Index numbers of prices received by farmers (1910-14=100)			
					Commodities	Wage rates for hired farm labor ⁴	Commodities, interest, taxes, and wage rates	Livestock and products			
								Dairy products	Poultry and eggs	Meat animals	All livestock
1910-14 average	58	50	100	100	100	100	100	100	100	100	100
1915-19 average	72	90	152	158	149	147	148	147	153	162	157
1920-24 average	75	122	221	160	159	181	168	159	163	121	140
1925-29 average	98	129	232	143	151	184	161	161	155	145	152
1930-34 average	74	78	179	107	117	121	124	105	94	83	91
1935-39 average	100	100	199	118	124	121	125	119	108	117	115
1940-44 average	192	237	315	139	148	211	152	169	145	166	162
1945-49 average	186	317	431	204	219	407	229	264	213	291	265
1950 average	200	369	516	236	246	425	255	247	181	340	278
1951 Average	220	427	566	263	271	470	281	284	226	411	335
1951											
February	221	419	556	268	267	-----	276	285	205	425	340
March	222	427	563	269	272	-----	280	280	217	428	343
April	223	427	565	268	273	479	283	273	215	428	340
May	222	424	562	267	272	-----	283	270	221	418	335
June	221	429	567	265	272	-----	282	269	217	422	335
July	212	420	560	262	271	475	282	272	222	414	332
August	217	426	561	260	271	-----	282	277	231	416	336
September	219	429	571	259	271	-----	282	283	247	411	337
October	218	425	570	260	272	476	283	294	247	410	340
November	219	426	573	260	274	-----	284	305	249	387	332
December	218	435	573	260	273	-----	284	314	233	379	328
1952											
January	219	-----	587	260	275	498	287	316	200	376	320
February		-----			276	-----	288	317	181	377	317

Index numbers of prices received by farmers (1910-14=100)

Year and month	Crops								All crops and live-stock	Parity ratio ⁶
	Food grains	Feed grains and hay	Tobacco	Cotton	Oil-bearing crops	Fruit	Truck crops	All crops		
1910-14 average	100	100	100	100	100	100	-----	100	100	100
1915-19 average	193	161	183	175	201	126	-----	171	164	111
1920-24 average	147	125	189	197	155	157	7 152	162	150	89
1925-29 average	141	118	169	150	135	146	145	143	148	92
1930-34 average	70	76	117	77	78	98	104	84	88	71
1935-39 average	94	95	172	87	113	95	95	99	107	86
1940-44 average	123	119	241	138	170	150	164	145	154	101
1945-49 average	222	205	378	240	289	216	206	234	250	109
1950 average	224	187	402	280	276	200	185	232	256	100
1951 average	243	220	436	335	339	193	239	264	302	107
1951										
February	254	222	440	351	379	204	333	283	313	113
March	245	221	437	359	386	202	265	276	311	111
April	247	222	438	363	385	209	225	275	309	109
May	244	223	438	357	380	194	239	271	305	108
June	240	217	438	353	358	200	189	263	301	107
July	236	213	438	329	317	175	204	252	294	104
August	234	215	430	291	294	207	181	244	292	104
September	233	216	423	233	288	201	161	239	291	103
October	239	219	445	304	296	188	171	247	296	105
November	249	224	424	345	307	172	249	267	301	106
December	253	233	440	339	309	177	331	280	305	107
1952										
January	251	234	431	325	303	171	337	277	300	105
February	249	230	436	313	296	168	217	259	289	100

¹ Federal Reserve Board: represents output of mining and manufacturing; monthly data adjusted for seasonal variation.

² Computed from data furnished by Bureau of Labor Statistics and Interstate Commerce Commission on payrolls in mining, manufacturing, and transportation; monthly data adjusted for seasonal variation. Revised January 1950. ³ Bureau of Labor Statistics.

⁴ Farm wage rates simple averages of quarterly data, seasonally adjusted.

⁵ Revised.

⁶ Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates. This parity ratio will not necessarily be identical to a weighted average percent of parity for all farm products, largely because parity prices for some products are on a transitional basis. ⁷ 1924 only.

Western Livestock Marketing

(Continued from page 10)

percent were to terminal markets, 18 percent to auctions, 11 percent to other farmers and feeders, and 14 percent to local dealers and truckers. In the Intermountain States 7 percent were packer directs, 22 percent went to terminal markets, 30 percent to auctions, 14 percent to other farmers and feeders, and 27 percent to local dealers and truckers.

The trend during the last quarter of a century has been toward marketing livestock near points of production. This development has expressed itself in several ways. It is shown, first, in the large growth of livestock auctions; second, in increased sales of fat and semifinished livestock direct from farmers and feeders to packers; and, third, in the general gain in country buying.

Since there are many small farms and ranches in the West, many of them with less than 10 head of cattle, satisfactory local markets have been a basic economic need for certain types of producers for a long time.

Auction markets have increased at a very rapid rate in the West in the last 10 years. Today there are approximately 460 such markets selling a total of over 7,000,000 head of cattle and calves annually. Twenty-five years ago there were practically no such markets in the area. While there are a few large auctions, each handling more than 300,000 cattle annually, most auction markets are small. In 1943, 13 percent of all auctions handled over 50 percent of all the livestock sold at auction.

One of the most important contributions made by these markets is in the exchange of stocker, feeder and breeding animals between farmers and ranchers in the same or nearby communities. Auctions also contributed greatly to year-round feeding of livestock. This is particularly true for the small feeder. And increased feeding, of course, provides a more steady supply of fat livestock for packers, local butchers, and locker plant operators.

Auctions frequently provide the means whereby animals are moved from local deficit to local surplus feed areas, and therefore livestock and feed resources are combined more effectively, resulting in greater total output.

Harold Abel
Bureau of Agricultural Economics
D. A. Broadbent
Utah State Agricultural College



Production is a main source of this Nation's strength . . . And it starts on American farms.



UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
WASHINGTON 25, D. C.
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, \$300
(GPO)